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August 26, 2011

VIA E-FILING

The Honorable Paul S. Diamond
United States District Court
Eastern District of Pennsylvania
U.S. Courthouse
601 Market Street, Room #6613
Philadelphia, PA 19106

Re: *Cree, Inc. v. SemiLEDs Corp. and Helios Crew Corp.*
C.A. No. 10-866-PD (D. Del.)

Dear Judge Diamond:

Pursuant to your August 19 Order (the "Order"), we are writing to inform you of the difficulties we have confronted in attempting to schedule one third party deposition before the August 26 deadline for third party discovery established by your Order. As explained below, the difficulties arise from a key employee of third-party Philips Lumileds ("Lumileds") who is in India for an extended period of time. This made it impossible to complete the deposition of Lumileds by August 26, 2011.

We served a subpoena on Lumileds on July 1, 2011. That subpoena sought production of documents and a deposition on July 18 in Menlo Park, California, near Lumileds' offices. On July 7, we contacted Lumileds by phone to follow up on the subpoena that had been served the previous week and to inquire about the status of its document collection efforts. Lumileds informed us that it would take longer than July 18 for Lumileds to complete its investigation. Accordingly, we agreed to grant Lumileds an extension of time to complete its search for potentially responsive documents. From July 7 to today, we have contacted Lumileds several times to follow up on the subpoena. As a result of those calls, we have agreed to narrow the scope of certain requests in order to eliminate any unnecessary burden on Lumileds.

After receiving the Order, we contacted Lumileds again and pressed it to produce documents and to appear for a deposition this week. We have now been advised by Lumileds that the witness with knowledge on the topics in the subpoena has been in India and is not scheduled to return to the United States until September. Even then, he is expected to be in the

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country for only three working days that month. We were also advised that the Lumileds' employee in India is needed to locate and identify certain documents responsive to the subpoena. Based on the information received from Lumileds to date, it appears that Lumileds was selling products in the United States prior to February 2002 that practice the inventions of at least two of the patents in suit. Accordingly, the information requested from Lumileds is highly important to SemiLEDs' defenses and to a just resolution of this action, as it will likely lead to documents and testimony invalidating two of the six patents in the case.

Prior to August 26, SemiLEDs completed all of the other third party depositions that it noticed during the discovery period except the deposition of Lumileds. For the reasons summarized above, however, it is not possible to complete the Lumileds deposition by then. Accordingly, SemiLEDs requests leave to complete the Lumileds deposition in September after Lumileds has produced responsive documents and its designated witness returns to the United States from India.

Respectfully,

/s/ Rodger D. Smith II

Rodger D. Smith II (#3778)

RDS/dla

cc: Clerk of the Court
Counsel of Record